## BEFORE THE POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION OFFICE OF THE SECRETARY

SPECIAL SERVICES REFORM, 1996

Docket No. MC96-3

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS PATELUNAS TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE REDIRECTED FROM WITNESS LYONS (OCA/USPS-T1-30)

The United States Postal Service hereby provides the response of witness Patelunas to the following interrogatory of the Office of the Consumer Advocate: OCA/USPS-T1-30, filed on August 9, 1996, and redirected from witness Lyons.

The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

Susan M. Duchek

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260-1137 (202) 268-2990; Fax -5402 August 23, 1996



Answer of Richard Patelunas to the Interrogatories of Office of the Consumer Advocate to United States Postal Service (Redirected from Witness Lyons USPS-T-1)

OCA/USPS-T1-30.

The following refers to your response to OCA/USPS-T1-22. Please explain what postal card printing costs declined such that you were able to recognize a \$65,000 cost reduction. Show the derivation of all calculated numbers, cite all sources, and provide copies of all source documents not previously filed.

OCA/USPS-T1-30. Response:

The postal card printing costs are those shown in Cost Segment 16 for component 180, "Stamps & Dispensers." The reason for the cost reduction is the decreased volume resulting from this proposal; fewer postal cards have less printing costs. The difference in volume can be seen in my Exhibit 5D that shows the before rates volume on page five and the after rates volume on page six. Additionally, the affects of applying the different volume factors can be seen by comparing my workpaper WP-D, part 2, pages 691 - 699 for the before rates changes with workpaper WP-F, part 2, pages 689 - 697 for the after rates changes.

## **DECLARATION**

I, Richard Patelunas, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

Relation

Dated: 8-23-96

## **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

Susan M. Duchek

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 August 23, 1996